Not to be destroyed.

GENERAL AND REVENUE SECRETARIAT.

1906-7

(Gl. Finance

File No. 117 of 0

Serial Nos. /

Papers Filed.

P14
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Month February

SUBJECT.

nversion of Work of Ind
'ro books of the ordinary
nto the Special Form fo
During Chu

PREVIOUS REFERENCES.	LATER REFERENCES.
36 L of 07	G.7.117-06:8205:B1

GENERAL AND REVENUE SECRETARIAT

(Gen: Fin)

NOTES.

File Heading.

Conversion of Gst of India Bonds of the ordinary form into the Spl: form for Ruling Chiefs

The Comptroller

Memo Dated 12.10.06 Received 12.10.06.

Diary No. 1440	Enclos.	Spare Copies.	Serial No. 1

that he has in his possession Gst of India Bonds of the aggregate value of Rs: 50 lakhs & sees that the whole of them may be converted in a Special Form Note.

G.R.S. 12]
General and Revenue Secretariat.

D. 1440.

File No. 17 of 1906

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Secretary

Please see your letter no 76 320 of 13th July 1906 in which you communicated to me the admission of the Mysore State to the privilege of holding Promissory Notes in the Special Form for Ruling chiefs. S.7364-04-8.

It is not desirable to hold all the Notes belonging to the State into Special form because we may be obliged at any time to mortgage or sell the Notes to meet emergent demands and besides the withdrawal of any of the Notes now with the Madras Bank will involve an initial payment of ¼ % on the Capital value of the Notes. This heavy charge I am not prepared to incur just now.

I had in my possession here 22 lakhs ~~worth~~ worth of Pro. Notes and I have just received from Calcutta 28 lakhs new Notes tendered for at the New Loan. The total is for 50 lakhs and I propose that we may now convert the 50 lakhs into one Special Form Note.

G.R.S. 12J
General and Revenue Secretariat.

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I beg that my proposal may be sanctioned, and necessary action taken for the purpose.

The usual procedure is that the Hon'ble Resident shd write to the Comptroller & Auditor General at Calcutta asking him to make the necessary conversion and shd quote in his letter the order of the Govt of India sanctioning the admission of the State to the privilege.

A letter may therefore be written by you to the Residency stating that the above is the usual procedure, that the Govt of H.H. the Maharajah has decided for the present to convert 138 Promissory Notes of the aggregate nominal value 150 lakhs into one Note [illegible] in the Special Form, and that the necessary communication may be made to the Comptroller & Auditor General. A list of the Pro. Notes shd be tendered for conversion after the usual Endorsement is annexed.

When copy of the Resident's

bearing interest from the 30th June 1906, the interest shd be payable at the Bangalore Treasury

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letter ~~to~~ the Comptroller General has been received by us, I shall have the note duly endorsed & the Decree sent direct to the Comptroller General.

Kindly treat this case as urgent. I am anxious to avail of the benefit of the Exemption from Income Tax with effect from 30th June last.

12.10.06.

List of Iro: Notes belonging to the Mysore
to be converted into a Note in special form for
Ruling Chiefs

Number of Note	Amount	
040494	5000	✓
040495	5000	✓
040496	5000	✓
040497	20000	✓
040498	20000	✓
040499	20000	✓
040500	20000	✓
040501	20000	✓
040502	20000	✓
040503	20000	✓
040504	20000	✓
040505	20000	✓
040506	20000	✓
040507	20000	✓
040508	20000	✓
040509	20000	✓
040510	20000	✓
040511	20000	✓
040512	20000	✓
040513	20000	✓
040514	20000	✓
040515	20000	✓
040516	25000	✓
040517	25000	✓
040518	25000	✓
040519	25000	✓
040520	25000	✓
040521	25000	✓
040522	25000	✓
040523	25000	✓
040524	25000	✓
040525	25000	✓
040526	25000	✓

Year of Loan	Number of Note	Amount
	Brought forward	775000
1900-01	040531	25000
	040532	25000
	040533	25000
	040534	25000
	040535	25000
	040536	25000
	040537	25000
	040538	25000
	040539	25000
	040540	25000
	040541	25000
	040542	25000
	040543	25000
	040544	25000
	040545	25000
	040546	25000
	040547	25000
	040548	25000
	040549	25000
	040550	25000
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	040552	25000
	040553	25000
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	040557	25000
	040558	25000
	040559	25000
	040560	25000
	040561	25000
	040562	25000
	040563	25000

040566	25000	✓
040567	25000	✓
040568	25000	✓
040569	25000	✓
040570	25000	✓
040571	25000	✓
040572	25000	✓
040573	25000	✓
040574	25000	✓
040575	25000	✓
040576	25000	✓
040577	25000	✓
040578	25000	✓
040579	25000	✓
040580	25000	✓
040581	25000	✓
040582	25000	✓
040583	25000	✓
040584	25000	✓
040585	25000	✓
040586	25000	✓
040587	25000	✓
074068	10000	

Number of Note	Amount
Brought Fd	2450000
074077	50000
074078	100000
074079	100000
074080	100000
074081	100000
074082	100000
074083	100000
074084	100000
074085	100000
074086	100000
074087	100000
074088	100000
074089	100000
074090	100000
074091	100000
074092	100000
074093	100000
~~074094~~	100000
074095	100000
074096	100000
074097	100000
074098	100000
074099	100000
074100	100000
074101	20000
074102	20000
074103	20000
074104	20000
074105	20000
074106	20000
074107	20000
074108	20000
074109	20000
074110	20000
Total	5000000

Submitted with a draft of the Res.ⁿ for approval on the ? of the Comptrollers memo:

K.S.
12.10.06

Draft Subᵐ. to Secy
with le
13/10/06

Dewan

Dewan thinks that there is no necessity for converting the ordinary rolls into the special form.

B.O
CSB
7/11/06

To the Comptroller for information, & obliging return of the papers.

McCandlish
9-11-06

COMPTROLLER'S OFFICE
12. NOV. 1906
(122)

Note No 110 dated 12th Nov 06

As the Dewan's decision involves a loss of income to Government of Rs 4557-4-8 a year, I beg respectfully to ask that I may be favoured with the reasons for the decision.

I may explain that Notes in the Special Form for Ruling Chiefs can

Serial No.

be converted into Ordinary form at the pleasure of Government. Such a conversion may not take more than a fortnight to carry out. Ordinarily it is not possible to dispose of 50 lakhs of Government Paper in the open market in less than two or three months without serious loss in price and the time taken in the conversion from Special to Ordinary form is of no moment

I know as a matter of personal knowledge that all the Native States in India have availed of the Govt of India conversion to great advantage to themselves and I do not understand why Mysore should lose this opportunity of saving 2½% on its interest on Govt Paper. The 140 lakhs of Paper now with the Madras Bank are quite enough for any sudden demand for accomodation and I even think that in the event of a sudden emergency, we should be in a better position with Special form notes because these notes are issued and converted by the Bank of Bengal and We can very conveniently work through the Bank of Bengal in case of emergency

G.R.S. 12]
General and Revenue Secretariat.

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without in any way disturbing the limited market in Alaska.

I therefore respectfully beg that I may be given an opportunity of knowing the reasons of the decision in this case.

288
14/11/06

12-11-06.

Dewan Gopals

I shall be happy to see the Comptroller in office on Monday & explain my reasons to him

S 17/11/1906

Dewan's order.

This may be filed for the present.

18.11
CSB
19/2/07

File - Nov 1907
DS

Dear Mr Chandrasekh

Before the Dussera
days - I made a suggestion
ernment that the Re
might be asked to wri
the Comptroller General
fifty lakhs of our Gro
Paper into a Special
for Ruling chiefs. I ha
heard of the matter f

but I am anxious to see
the matter pushed through
by the end of this month
because otherwise we may
lose about 2¼ thousand
rupees in the half year to
30th December 1906. It is
with the object of making
this saving of 2¼ thousand
rupees that I took the N
in the New loan bearing
interest from 30th June 190

If it [illegible] delay
in the Residency, will you
kindly arrange to send
a reminder. The mail
is already [illegible]

Yours sincerely
[illegible]

submitted.

This file was sub-
mitted to the
Dewan on 15/10/
and has not been
returned.

6/11

Forwarded to the Under S
on duty with th
Dewan- m